The homogenization of the media that occurs as the market is dominated by a small number of players is not in the public interest. Relatively low restrictions are needed on market share to encourage the specialization that will best serve the American public interest. Relaxing market dominance restrictions is not in the public interest.

The detail and diversity needed in news sources for a populace to make informed decisions is degraded by lowest common denominator reportage, feel-good pablum, and relatively noncontroversial programming. This style of programming is unfortunately rewarded when the number of players in a market is few and the incentive to grow market share is the overarching drive. Rather than focus on serving individual customers well, the market at that scale rewards being least offensive to the greatest number of people. From a microeconomic perspective, the broadcasters are making the strongest decisions to reward their investors. But their customers are not well-served. A sad side effect is that an increasing number of Americans are looking to foreign news sources for the depth and variety of programming that they desire as individuals. Extended, this presents its own risks. Relaxing market dominance restrictions is not in the public interest.

The economic advantages to market dominance are significant. There are distinct areas where economy of scale issues can provide great enough competitive advantage to the larger players that smaller broadcasters are effectively barred from entry to the market. At the point where new entries to the market are shut out, monopolistic abuse is a real risk. Where the number of resulting players is low and the microeconomic incentive toward homogenization is high, overt collusion between market players need not occur, convergence will occur nonetheless, and the consumer will not the beneficiary of the shift. Relaxing market dominance restrictions is not in the public interest.

American GDP growth and wealth creation over the last fifty years has been driven to a significant degree by an innovative edge that the US has held over other nations. That innovation comes in part by individuals being motivated to develop "disruptive" technologies that dramatically alter the course of an industry in a way that frequently penalizes the previous market leaders as a secondary effect. In a media market where the players are large and few, the media will be less likely to adequately communicate the emergence of disruptive technologies - advertising by the dominant preexisting firms will be the media source of revenues, and an economic incentive to each media company will be present to prevent risk to that revenue stream. This censorship, whether overt at the control of the advertisers or passive will deter some percentage of innovators from establishing ventures that could generate wealth. If the rate of innovation and its reward is diminished even slightly, the long term economic and technological competitiveness of the US will be reduced. Relaxing market dominance restrictions is not in the public interest.

Please do not relax the media market dominance restrictions.

Cordially,
Scott Small